

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

YUETING JIA,¹

Debtor.

Chapter 11

Case No. 19-12220-KBO

Re: DI 38

**O-FILM GLOBAL (HK) TRADING LIMITED AND NANCHENG O-FILM
PHOTOELECTRIC TECHNOLOGY CO., LTD.'S PRELIMINARY OBJECTION TO
THE DEBTOR'S MOTION FOR ENTRY OF AN ORDER (I) SCHEDULING
COMBINED HEARING ON (A) DISCLOSURE STATEMENT, (B) PREPETITION
SOLICITATION PROCEDURES, AND (C) CONFIRMATION OF PREPACKAGED
PLAN; (II) FIXING DEADLINE TO OBJECT TO PREPACKAGED PLAN AND
DISCLOSURE STATEMENT; (III) APPROVING FORM AND MANNER OF
COMBINED HEARING AND OBJECTION DEADLINE; (IV) CONDITIONALLY
CANCELING MEETING OF CREDITORS; AND (V) GRANTING RELATED RELIEF**

O-Film Global (HK) Trading Limited and Nanchang O-Film Photoelectric Technology Co., Ltd. (collectively, "O-Film") respectfully submits this preliminary objection to the *Debtor's Motion for Entry of an Order (I) Scheduling Combined Hearing on (A) Disclosure Statement, (B) Prepetition Solicitation Procedures, and (C) Confirmation of Prepackaged Plan; (II) Fixing Deadline to Object to Prepackaged Plan and Disclosure Statement; (III) Approving Form and Manner of Combined Hearing and Objection Deadline; (IV) Conditionally Canceling Meeting of Creditors; and (V) Granting Related Relief* [Dkt. No. 38] (the "Motion").

¹ The last four digits of the Debtor's federal tax identification number are 8972. The Debtor's mailing address is 91 Marguerite Drive, Rancho Palos Verdes, CA 90275

Background

1. O-Film, founded in 2001, designs and manufactures electronic components for the consumer electronics and automotive markets which include touch panels, cover glass, camera modules, biometric sensors, haptic response technology and LCD modules.

2. On January 16, 2018, O-Film filed a complaint against the Debtor in the California Superior Court County of Los Angeles alleging breach of contract, fraud, common count in quantum meruit, and unfair competition, seeking compensatory damages in the amount of \$24,095,428 related to unpaid electronic components provided to the Debtor.

3. The Debtor has identified O-Film on Schedule F of its Schedules of Assets and Liabilities as having a contingent and unliquidated claim in the amount of \$24,095,428 (the “Claim Amount”).

4. The Ballot which O-Film received temporarily allows the Claim Amount at \$0 for voting on the Plan² and the exchange offer.

Preliminary Objection

5. O-Film files this preliminary objection to object to the proposed expedited timeline in this case. The issues associated with the Debtor’s proposed expedited timeline are amplified by the unavailability of key documents in Mandarin.

6. The Debtor is a Chinese national who fled to the United States following actions taken by courts in China against the Debtor and his assets. He now seeks to afford himself of the protections offered under the Bankruptcy Code to resolve the debts he incurred and owes almost exclusively to creditors based in China. The almost exclusively China-based creditor body

² Defined terms not otherwise defined herein shall have the meaning ascribed to such terms in the Chapter 11 Plan of Reorganization [Dkt. No. 4].

presents unique issues and obstacles when compared to the typical expedited chapter 11 cases filed in this jurisdiction.

7. An apparent issue at the outset of this case is the difficulty that a China-based creditor body will have in comprehending the English legalese contained in the Confidential Offering Memorandum, Disclosure Statement and Consent Solicitation Statement (D.I.5), and the Plan (D.I. 4). To address the difficulty with this comprehension, the Debtor has employed his own personal translator to assist in him in understanding his own filings. *See e.g.* D.I. 30. The creditors must also be afforded the same “adequate information” from which they can make an informed judgment as to whether to accept or reject the Plan. 11 U.S.C. § 1125(a)(1); 11 U.S.C. § 1126(d). As a condition to any solicitation of votes following the Petition Date, and in order to ensure that the Debtor (as the plan proponent) has complied with the disclosure and solicitation requirements of sections 1125 and 1126 of the Bankruptcy Code in the solicitation of acceptances to the plan of reorganization, the Debtor must be required to provide his creditors with assistance in comprehending certain documents by providing certified translations in Mandarin of all documents and related notices that seek creditor action for which there will be related consequences based on creditor action or inaction. At a minimum, this will include translation of the Confidential Offering Memorandum, the Disclosure Statement and Consent Solicitation Statement, the Plan, the Plan Supplement, and the motion, notice and order setting establishing a Bar Date.

8. In light of the language comprehension issues addressed above, O-Film objects to a Voting Deadline that does not provide O-Film with sufficient time to review all relevant Plan and Disclosure Statement documents (including the Plan Supplement) in both Mandarin and English, and also to prepare and file a motion to allow O-Film’s claim for voting purposes and for the Court to address the merits of such motion.

9. O-Film also objects to the Debtor's request to modify the deadline for providing the Plan Supplement from 5 days before the Voting Deadline to 15 days before the hearing date on the Motion, to the extent that such modification will result in O-Film receiving the Plan Supplement after the Voting Deadline.

10. O-Film reserves its right to further supplement this Preliminary Objection.

WHEREFORE, O-Film respectfully requests that the Court (i) deny the relief requested in the Motion, (ii) require that documents and related notices requiring creditor action be provided in both English and Mandarin, (iii) extend the Voting Deadline and other deadlines requiring actions to be taken by creditors including deadlines related to the Plan, Disclosure Statement, and the Bar Date, and (iv) grant such further relief as is just and proper.

Dated: November 7, 2019
Wilmington, Delaware

BAYARD, P.A.

/s/ GianClaudio Finizio

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